

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

-----X  
In re:

KENNETH RHEE,

Debtor.

-----X  
YOUNG MAN KIM,

Plaintiff(s),

-against-

KENNETH RHEE,

Defendant(s).  
-----X

**Chapter 7**

**Case No.: 17-11198**

**Adversary Proceeding No.  
17-01271**

**ANSWER**

Defendant, KENNETH RHEE, by and through their attorneys, John C. Kim, Esq. of The Law Office of Kwangsoo Kim, P.C., for their Answer to the complaint (the "Complaint") of YOUNG MAN KIM (the "Plaintiff"), upon knowledge as to himself and his actions and upon information and belief as to all other matters alleged below as follows:

1. Defendant neither admits nor denies the allegation set forth in Paragraph "1" of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

2. Defendant neither admits nor denies the allegation set forth in Paragraph "2" of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

3. Defendant admits the allegation set forth in Paragraph “3” of the Complaint.

4. Defendant neither admits nor denies the allegation set forth in Paragraph “4” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

5. Defendant neither admits nor denies the allegation set forth in Paragraph “5” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

#### **THE PARTIES**

6. Defendant neither admits nor denies the allegation set forth in Paragraph “6” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

7. Defendant neither admits nor denies the allegation set forth in Paragraph “7” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

#### **FACTUAL BACKGROUND – KKR PARTNERS, INC.**

8. Defendant neither admits nor denies the allegation set forth in Paragraph “8” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

9. Defendant denies the allegation set forth in Paragraph “9” of the Complaint.
10. Defendant denies the allegation set forth in Paragraph “10” of the Complaint.
11. Defendant denies the allegation set forth in Paragraph “11” of the Complaint.
12. Defendant denies the allegation set forth in Paragraph “12” of the Complaint.
13. Defendant denies the allegation set forth in Paragraph “13” of the Complaint.
14. Defendant denies the allegation set forth in Paragraph “14” of the Complaint.
15. Defendant denies the allegation set forth in Paragraph “15” of the Complaint.

**A. The Capstone Obligations.**

16. Defendant neither admits nor denies the allegation set forth in Paragraph “16” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

17. Defendant denies the allegation set forth in Paragraph “17” of the Complaint.

18. Defendant denies the allegation set forth in Paragraph “18” of the Complaint.

19. Defendant neither admits nor denies the allegation set forth in Paragraph “19” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

20. Defendant neither admits nor denies the allegation set forth in Paragraph “20” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.



**B. The Eastern Funding Obligations.**

21. Defendant neither admits nor denies the allegation set forth in Paragraph “21” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

22. Defendant neither admits nor denies the allegation set forth in Paragraph “22” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

23. Defendant neither admits nor denies the allegation set forth in Paragraph “23” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

24. Defendant denies the allegation set forth in Paragraph “24” of the Complaint.

25. Defendant denies the allegation set forth in Paragraph “25” of the Complaint.

26. Defendant denies the allegation set forth in Paragraph “26” of the Complaint.

27. Defendant denies the allegation set forth in Paragraph “27” of the Complaint.

28. Defendant denies the allegation set forth in Paragraph “28” of the Complaint.

29. Defendant denies the allegation set forth in Paragraph “29” of the Complaint.

30. Defendant denies the allegation set forth in Paragraph “30” of the Complaint.

31. Defendant denies the allegation set forth in Paragraph “31” of the Complaint.

32. Defendant denies the allegation set forth in Paragraph “32” of the Complaint.

33. Defendant denies the allegation set forth in Paragraph “33” of the Complaint.

**FACTUAL BACKGROUND - REGENT PARTNERS CLAIMS**

34. Defendant neither admits nor denies the allegation set forth in Paragraph “34” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

35. Defendant neither admits nor denies the allegation set forth in Paragraph “35” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

36. Defendant denies the allegation set forth in Paragraph “36” of the Complaint.

37. Defendant denies the allegation set forth in Paragraph “37” of the Complaint.

**A. The Citibank Liabilities**

38. Defendant neither admits nor denies the allegation set forth in Paragraph “38” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

39. Defendant denies the allegation set forth in Paragraph “39” of the Complaint.

40. Defendant denies the allegation set forth in Paragraph “40” of the Complaint.

41. Defendant denies the allegation set forth in Paragraph “41” of the Complaint.

42. Defendant denies the allegation set forth in Paragraph “42” of the Complaint.

43. Defendant denies the allegation set forth in Paragraph “43” of the Complaint.

44. Defendant denies the allegation set forth in Paragraph “44” of the Complaint.

45. Defendant neither admits nor denies the allegation set forth in Paragraph “45” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

**COUNT I– FRAUD IN THE INDUCEMENT**

46. Defendant denies the allegation set forth in Paragraph “45” of the Complaint.

47. Defendant denies the allegation set forth in Paragraph “47” of the Complaint.

48. Defendant denies the allegation set forth in Paragraph “48” of the Complaint.

49. Defendant denies the allegation set forth in Paragraph “49” of the Complaint.

50. Defendant denies the allegation set forth in Paragraph “49” of the Complaint.

51. Defendant neither admits nor denies the allegation set forth in Paragraph “51” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

**COUNT II – FRAUD IN FACTUM**

52. Defendant denies the allegation set forth in Paragraph “52” of the Complaint.

53. Defendant denies the allegation set forth in Paragraph “53” of the Complaint.

54. Defendant denies the allegation set forth in Paragraph “54” of the Complaint.

55. Defendant denies the allegations set forth in Paragraph “55” of the Complaint.

56. Defendant denies the allegation set forth in Paragraph “56” of the Complaint.

57. Defendant neither admits nor denies the allegation set forth in Paragraph “57” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions



to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

**COUNT III – OBJECTION TO DISCHARGEABILITY OF DEBT PURSUANT TO 11 U.S.C. SECTION 523(a)(2)(A) UNDER FALSE PRETENSES**

58. Defendant neither admits nor denies the allegation set forth in Paragraph “58” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

59. Defendant neither admits nor denies the allegation set forth in Paragraph “59” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

60. Defendant neither admits nor denies the allegation set forth in Paragraph “60” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

**COUNT IV – OBJECTION TO DISCHARGEABILITY OF DEBT PURSUANT TO 11 U.S.C. SECTION 523(a)(2)(B) UNDER FALSE WRITTEN STATEMENTS OF FINANCIAL CONDITIONS**

61. Defendant neither admits nor denies the allegation set forth in Paragraph “61” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

62. Defendant neither admits nor denies the allegation set forth in Paragraph “62” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions

to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

63. Defendant neither admits nor denies the allegation set forth in Paragraph “63” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

**COUNT V – OBJECTION TO DISCHARGEABILITY OF DEBT PURSUANT TO 11 U.S.C. SECTION 523(a)(6)**

64. Defendant neither admits nor denies the allegation set forth in Paragraph “64” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

65. Defendant neither admits nor denies the allegation set forth in Paragraph “65” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

**COUNT VI – OBJECTION TO DISCHARGEABILITY OF DEBT PURSUANT TO 11 U.S.C. SECTION 727(a)(4)**

66. Defendant neither admits nor denies the allegation set forth in Paragraph “66” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.



67. Defendant neither admits nor denies the allegation set forth in Paragraph “67” of the Complaint to the extent that they are general assertions, contentions and/or legal conclusions to which no response is required. To the extent that such allegation may be deemed to be factual assertions to which a response is required, the Defendant denies the truth thereof.

### **AFFIRMATIVE DEFENSES**

#### **First Affirmative Defense**

The Complaint fails to state a claim upon which relief may be granted.

#### **Second Affirmative Defense**

Plaintiff’s request for relief may be precluded, in whole or in part, to the extent the doctrines of accord and satisfaction, estoppel, failure of consideration, fraud, illegality, laches, release, res judicata, in pari delicto, unclean hands, failure to mitigate damages, preclusion or waiver apply.

#### **Third Affirmative Defense**

Plaintiff is barred from re-litigating matters decided in the Bankruptcy Case under the law of the case doctrine.

#### **Fourth Affirmative Defense**

Defendant denies the material allegations of the Complaint and denies that Plaintiff is entitled to the relief requested.

#### **Fifth Affirmative Defense**

Plaintiff’s claims are time-barred pursuant to Rule 4004(a).

#### **Sixth Affirmative Defense**

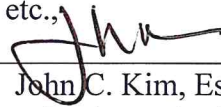
Defendant reserves the right to interpose other affirmative defenses.

**WHEREFORE**, the Complaint fails to state a claim upon which relief may be granted, and the Defendant respectfully request that the Court dismiss the Complaint.

Dated: Flushing, New York

May 16, 2017

Yours etc.,

  
By: John C. Kim, Esq.  
Attorney for the Defendant  
163-10 Northern Boulevard, Suite 201  
Flushing, New York 11358  
T (718) 539-1100 F (718) 539 1717

**VERIFICATION**

STATE OF NEW YORK     )  
                                      ) SS:  
COUNTY OF Kings     )

John C. Kim, an attorney duly admitted to practice law in the State of New York, under penalties of perjury, affirms the following:

That deponent is the attorney for the Defendant in the action within; that deponent has read the foregoing Answer and Affirmative Defenses, and knows the contents thereof; that the same is true to the deponent's own knowledge except as to the matters therein stated to be alleged upon information and belief, and as to those matters believes those to be true.

Dated: Flushing, New York  
May 16, 2017

  
By: John C. Kim, Esq.